

BEXLEY HEALTH AND WELLBEING BOARD

MONDAY 22 MARCH 2021

BETTER CARE FUND 2020/21 – COMPLIANCE WITH NATIONAL CONDITIONS

Summary

The purpose of this report is to confirm compliance of our local Better Care Fund (BCF) plan with the national conditions of the BCF for the period 2020/21. The BCF is a single pooled budget to support transformation and integration of health and social care. It requires the NHS South East London CCG and the London Borough of Bexley to agree an integrated spending plan for how we will use our BCF allocation.

In Bexley, our BCF Pooled Budget is £36.3m for 2020/21. It brings together ring-fenced budgets from CCG allocations, and funding paid directly to local government, including the Disabled Facilities Grant and the improved Better Care Fund. **Section 6** of this report provides further information about the funding sources. £8.6m of the pooled budget reflects the additional NHS Covid-19 funding, which has been made available to Bexley so far in 2020/21 to support the Hospital Discharge Service Policy. Whilst the additional funding is not covered by BCF national conditions, areas can record activity funded through this additional funding source as an additional voluntary contribution.

The Bexley Health and Wellbeing Board usually has a role in approving and signing off our BCF plans and there is an existing protocol in place for the operational management of BCF submissions, including quarterly monitoring returns. However, national requirements for 2020/21 were suspended due to the Covid-19 pandemic.

On 3 December 2020, the Government published the BCF policy statement for 2020 to 2021, which confirmed that areas would not be required to submit plans for assurance this year and that we should roll forward schemes from 2019/20, where appropriate, following local agreement. The BCF policy statement says we must ensure that use of the mandatory funding contributions has been agreed in writing and that the national conditions are met.

In Bexley, we took early action in June 2020 to roll-over Bexley's BCF Plan from 2019/20 to 2020/21 and so we are already compliant with these requirements. The Board will shortly be required to provide an end of year reconciliation to government departments and NHS England and Improvement. Officers have completed a BCF income and expenditure template for Bexley to help provide this confirmation and assurance (see **Appendix 1**).

RECOMMENDATIONS:

1. To note the confirmation in this report that the national BCF conditions have been met.
2. To note the contents of Appendix 1, which records locally agreed plans for 2020/21 and ensures that minimum requirements on BCF funding sources are met.

1. BACKGROUND

The BCF is the only mandatory policy to facilitate integration through a pooled budget and provides a mechanism for joint health and social care planning and commissioning which brings together ring fenced budgets from the Clinical Commissioning Group and funding paid to local government for adult care services. The policy requires the CCG and local authority to agree an integrated spending plan for how we will use our BCF allocation.

Earlier in the year, Health and Wellbeing Boards were advised that BCF policy and planning requirements would not be published during the initial response to the Covid-19 pandemic and that they should prioritise continuity of provision, social care capacity and system resilience and spend from ringfenced BCF pots based on local agreement in 2020 to 2021, pending further guidance.

Given the ongoing pressures on systems, government departments and NHS England and NHS Improvement have agreed that formal BCF plans will not have to be submitted for approval in 2020 to 2021. This was confirmed by the Government in the BCF policy statement, published on 3 December 2020.

The BCF policy statement says we must ensure that use of the mandatory funding contributions has been agreed in writing and that the national conditions are met. The Board will also be required to provide an end of year reconciliation to government departments and NHS England and NHS Improvement. This will need to confirm that the national conditions have been met, confirm total spend from the mandatory funding sources, and give a breakdown of agreed spending on social care from the CCG minimum contribution. In preparation for this return, Officers from the Council and NHS South East London CCG have completed a BCF Income and Expenditure Template for Bexley to assist in providing this confirmation and assurance (see **Appendix 1**).

2. BETTER CARE FUND 2020/21: NATIONAL CONDITIONS

The national conditions for the BCF in 2020/21 are that:

- Plans covering all mandatory funding contributions have been agreed by Health and Wellbeing Board areas and minimum contributions are pooled in a section 75 agreement (an agreement made under section 75 of the NHS Act 2006).
- The contribution to social care from the CCG via the BCF is agreed and meets or exceeds the minimum expectation (see **Section 3.2**).
- Spend on CCG commissioned out of hospital services meets or exceeds the minimum ringfence (see **Section 3.3**).
- The CCG and local authority confirm compliance with the above conditions to their Health and Wellbeing Board.

As in previous years, areas should ensure that housing services have been engaged in the use of the Disabled Facilities Grant. The CCG and local authority should also ensure that local providers of NHS and social care services have been involved in planning the use of BCF funding for 2020 to 2021. Activity to support discharge funded by the BCF should be agreed as part of the whole system approach to implementing the Hospital Discharge Service Policy and should support an agreed approach for managing demand and capacity in health and social care.

3. COMPLIANCE WITH BCF NATIONAL CONDITIONS

3.1 Plans agreed and minimum contributions pooled in a section 75 agreement

The Bexley Health and Wellbeing Board usually has a role in approving and signing off our BCF plans and has an existing protocol in place for the operational management of BCF submissions, including quarterly monitoring returns. However, national requirements for 2020/21 were suspended due to the Covid-19 pandemic.

The Board approved and signed off Bexley's BCF Plan for 2019/20 at their meeting on 17 September 2019 and the Cabinet Member for Adults' Services gave authority to vary and extend the existing section 75 agreement, including roll-over of our BCF Plan into 2020/21, on 18 June 2020 (see **List of Background Documents**).

This was completed under the fourth deed of variation to the overarching section 75 agreement, which was signed by the Parties and sealed by the Council, dated 6 July 2020. This provides the legal basis for the pooling of resources in support of our overall integration plans and Covid-19 response during 2020/21 and means that Bexley is already compliant with national requirements.

3.2 Social Care Maintenance

The 2019 spending round confirmed that contributions to social care from CCGs via the BCF for 2020 to 2021 should increase by 5.3% in line with NHS revenue spend. We have reviewed the spending on social care funded by the CCG contribution to the BCF to ensure that the minimum expectations are met (see **Appendix 1 and Table 1**), in line with the national conditions.

3.3 NHS commissioned out of hospital services

The BCF policy statement states that Health and Wellbeing Board areas should ensure that spending on CCG commissioned out of hospital services (which can include social care) meets or exceeds the minimum ringfence set out in the BCF allocations spreadsheet published on 4 February (see **List of Background Documents**). Table 1 below compares the minimum required spend to meet the national BCF conditions with planned spend in Bexley during 2020/21.

Table 1 – Summary of required expenditure to meet national BCF conditions

Required spend	Minimum required spend	Planned spend
NHS commissioned out of hospital spend from the minimum CCG allocation	£4,703,975	£9,980,000
ASC services spend from the minimum CCG allocation	£6,696,029	£7,718,290

3.4 Confirm compliance to the Bexley Health and Wellbeing Board

This report and the completed income and expenditure template (**Appendix 1**) enables the London Borough of Bexley and NHS South East London CCG to confirm compliance with the above conditions to the Bexley Health and Wellbeing Board.

3.5 Allocation of Disabled Facilities Grant

We have continued to work with the Council's housing services with the aim of ensuring a strategic, joined up approach to DFG spending. The DFG allocation has supported delivery of major home adaptations for disabled people to enable them to live independently in their own homes for longer. This support is currently means tested to ensure that those most in need get the most help. The Council received an increase in its grant allocation from MHCLG in December 2020. Officers anticipate that some of this grant may need to be rolled over into next year's budget. The Covid-19 pandemic has had some impact in terms of a slowing of referrals in the first months of lockdown, impact of shielding, and also from some clients not wanting builders in their properties. This will be reported as part of our usual end of year monitoring.

3.6 Involvement of local providers of NHS and social care services

We have well-established joint commissioning arrangements and integrated ways of working across Adult Social Care, Public Health, Oxleas NHS Foundation Trust, General Practice and Primary Care, and good partnerships with our three main local acute providers. Bexley health and social care system have worked collaboratively to transform our services and support each other during the Covid-19 pandemic. Our provider response – including across the social care market and the third sector - has been remarkable, and the Council and CCG would not have been able to manage through the pandemic without them.

Over the course of the last year, we implemented our business continuity plans, prioritised services, and re-deployed staff to support seven day working. We have responded to government guidance, adapted care pathways and adopted new ways of working, including the increased use of digital technology.

The pooled budget for the BCF has mainly been used to enable the continuation of existing schemes and activity. It is one of the levers that has been deployed as part of our 'whole-system' response and has contributed to the delivery of relevant interventions during the year, supported by our integrated commissioners in Bexley and involving local partners and providers, where appropriate.

3.7 BCF support for hospital discharge as part of a whole system approach

In Bexley, we are in the fortunate position of having a well-established 'discharge to assess' model so, although faced with the immediate and unprecedented challenge of the pandemic during 2020/21, we were able to promptly plan revised discharge pathways. A proactive approach has been taken during the year to service provision, working through our commissioning, quality assurance and brokerage teams to ensure the availability and supply of home care and community bedded capacity.

Schedules to our section 75 agreement have ensured clear arrangements for the additional financial support provided from the NHS for new or extended out-of-hospital packages of care and roll-over of our 2019/20 BCF integration plan into 2020/21. This has permitted some flexibility to allocate uplifts to schemes that have experienced cost or demand pressures and/or adjust, where possible, to focus on patient flow, discharge and our Covid-19 response.

4. GOVERNANCE AND REPORTING ARRANGEMENTS

BCF spending plans for 2020/21 will not be assured regionally or formally approved. Health and Wellbeing Board areas are not expected to submit local trajectories for the BCF national metrics for 2020/21 but should continue to work as a system to make progress against them. We anticipate the opportunity to take stock of this progress as part of end of year reporting for 2020/21 and BCF planning for 2021/22.

Our rolled-over BCF plan has been included as a schedule to our existing partnership agreement under section 75 of the NHS Act 2006. The section 75 agreement between the CCG and the Council sets out the partnership terms and conditions that apply to all integrated arrangements for pooled budgets and lead commissioning arrangements. An appropriate local governance structure is in place that reports into the Bexley Health and Wellbeing Board. The existing section 75 agreement was updated through the fourth deed of variation, dated 4 July 2020, to reflect amended governance structures. This took account of the immediate changes, as a result of the recent system reform and the new borough-based arrangements, including changes in the integrated commissioning management structure.

An Integrated Commissioning Team for Bexley supports the development and delivery of commissioning plans across health and social care. Performance and contract management arrangements are used to monitor the impact of interventions in line with requirements. This includes regular meetings between commissioners and providers, the preparation of reports and BCF submissions.

The Council and NHS South East London CCG are in the process of developing a new section 75 agreement from 2021/22 onwards, which we propose will be reflective of our Integrated Care System and the borough-based arrangements, including an ongoing role for the Bexley Health and Wellbeing Board and the Bexley Borough-Based Board.

5. BETTER CARE FUND IN 2021/22

The BCF policy statement includes information about the BCF in 2021/22. The Spending Review 2020 confirmed that the improved BCF grant will continue in 2021 to 2022 and be maintained at its current level. The Disabled Facilities Grant will also continue and will be worth £573 million nationally in 2021 to 2022 (same as 2020/21, following the recent uplift in the DFG announced in December 2020). The CCG contribution will again increase by 5.3% in line with the NHS Long Term Plan settlement. We are expecting the BCF Policy Framework and Planning Requirements for 2021 to 2022 to be published soon.

6. SUMMARY OF FINANCIAL IMPLICATIONS

In Bexley, our BCF Pooled Budget is £36.3 million for 2020/21. It brings together ring-fenced budgets from CCG allocations, and funding paid directly to local government, including the Disabled Facilities Grant and the improved Better Care Fund. Most of the pooled budget for the BCF has come from consolidating a range of existing resources in the health and care system and is mainly used to support the continued delivery of existing schemes and activity.

In response to the pandemic, the Government required the Council and CCG to take immediate action to implement the Hospital Discharge Service Policy. Additional funding was made available via the NHS, which provided fully funded care for people discharged from hospital with additional care and support needs from 19 March 2020 to 31 August 2020, and up to six weeks reablement or rehabilitation from 1 September 2020 to 31 March 2021.

Health and Wellbeing Board areas were asked to place the additional funding into a pooled fund governed by a section 75 agreement. The guidance at the time said that it should be pooled alongside existing local authority planned expenditure on discharge support. £8.6m of the pooled budget reflects the additional NHS Covid-19 funding, which has been made available to Bexley so far in 2020/21 to support the Hospital Discharge Service Policy. Whilst the additional funding is not covered by BCF national conditions, areas can record activity funded through this additional funding source as an additional voluntary contribution.

In line with the BCF policy statement, Officers have used the short template (**Appendix 1**) provided by the BCF national team to calculate spend and confirm compliance with the conditions on maintenance of social care and CCG commissioned out of hospital expenditure. The template includes further details of the schemes being funded. A summary of the funding sources for the Bexley Health and Wellbeing Board area is shown in Table 2 below. We have maintained records of spending against schemes funded through the BCF and will report actual income and expenditure as part of normal year end reporting.

Table 2 – Summary of Funding Sources, Bexley BCF Plan 2020/21

Funding source	2020/21
Disabled Facilities Grant	£2,964,977
Minimum CCG contribution	£16,553,290
Improved Better Care Fund	£6,421,621
Additional Local Authority contribution	£1,054,000
Additional CCG contribution	£9,324,474
Total BCF pooled budget	£36,318,362

7. SUMMARY OF LEGAL AND OTHER IMPLICATIONS

The Care Act 2014 amended the NHS Act 2006 to provide the legislative basis for the BCF. It allows for the NHS Mandate to include specific requirements relating to the establishment and use of an integration fund. On 3 December 2020, DHSC and MHCLG published a policy statement for the implementation of the BCF in 2020/21. This refers to the government's mandate to the NHS, published in March 2020. The mandate set a deliverable for the NHS to 'help ensure delivery of its wider priorities, which include manifesto commitments to further improve the experience of NHS patients, working with local government to support integration and the sustainability of social care through the Better Care Fund'.

All funding agreed as part of the BCF plan must be transferred into one or more pooled funds established under section 75 of the NHS Act 2006. There is an existing section 75 agreement between the London Borough of Bexley and NHS South East London CCG, which sets out the integrated commissioning arrangements for pooling resources between the two organisations. This allows for the appointment of joint commissioners and the pooling of budgets for integrated services. On 18 June 2020, the Cabinet Member for Adults' Services gave authority to vary and extend the existing section 75 agreement to 31 March 2021 (see **List of Background Documents**).

This was given legal effect by the fourth deed of variation to our section 75 agreement, dated 4 July 2020, which has facilitated the roll-over of Bexley's BCF Plan from 2019/20 to 2020/21 in compliance with national conditions. The fourth deed of variation also appended a Covid-19 hospital discharge schedule that clearly set out the commissioning arrangements for the enhanced supply of out of hospital care and support services. This has ensured that the NHS Covid-19 discharge funding is separately identified within the agreement and monitored to ensure funding flows correctly.

Local Government Act 1972 – section 100d

List of background documents

Core spending power: final local government finance settlement 2021 to 2022, MHCLG, 4 February 2021: <https://www.gov.uk/government/publications/core-spending-power-final-local-government-finance-settlement-2021-to-2022>

Better Care Fund: policy statement 2020 to 2021, DHSC, 3 December 2020: <https://www.gov.uk/government/publications/better-care-fund-policy-statement-2020-to-2021>

More funding to support people with disabilities live independently, DHSC and MHCLG, 3 December 2020: <https://www.gov.uk/government/news/more-funding-to-support-people-with-disabilities-live-independently>

Authority to vary and extend Section 75 Agreement between London Borough of Bexley and NHS South East London CCG, Cabinet Member for Adults' Services, London Borough of Bexley, 18 June 2020 (Decision Ref: AS 01-20/21): <https://democracy.bexley.gov.uk/ieDecisionDetails.aspx?ID=2904>

NHS mandate 2020 to 2021, DHSC, 25 March 2020: <https://www.gov.uk/government/publications/nhs-mandate-2020-to-2021>

Hospital Discharge Service Guidance, DHSC, 21 August 2020: <https://www.gov.uk/government/collections/hospital-discharge-service-guidance>

Minimum allocations for the Better Care Fund from CCGs in 2020-21, NHS England, 4 February 2020: <https://www.england.nhs.uk/publication/minimum-allocations-for-the-better-care-fund-from-ccgs-in-2020-21/>

Bexley's Better Care Fund Plan for 2019/20, Bexley Health and Wellbeing Board, 17 September 2019: <https://democracy.bexley.gov.uk/ieListDocuments.aspx?CId=1744&MId=28978&Ver=4>

Contact Officer(s):	Alison Rogers, Acting Director for Integrated Commissioning, London Borough of Bexley and NHS SEL CCG (Bexley), 020 8298 6025 Steven Burgess, Policy & Strategy Officer, LB Bexley, 020 3045 3550
Reporting to:	Stuart Rowbotham, Director of Adult Social Care and Health, LB Bexley

Appendix 1 - Bexley BCF 2020/21 Income and Expenditure Calculator